



Date: March 28, 2016
To: Thomas J. Bonfield, City Manager
From: Germaine Brewington, Director of Audit Services
Subject: Half Penny Tax for Parks and Trails Performance Audit (March 2016)

Executive Summary

The Department of Audit Services completed the report on the Half Penny Tax for Parks and Trails Performance Audit dated March 2016. The purpose of the audit was to determine the adequacy of controls to validate that the Half Penny Tax for Parks and Trails were used for their intended purposes.

Background

The Durham City Council approved the dedication of a half penny of the City's tax rate for the Parks and Trails Maintenance Initiative as part of the 2015 fiscal year budget. The overall purpose of the half penny tax for parks and trails was to provide a dedicated funding stream for maintenance of the City's parks and trails.

Uses of the half penny tax for parks and trails included:

- Dedicating six full time staff in the Department of Parks and Recreation with responsibilities to inspect and mow all parks, to make small repairs and to maintain the City's athletic fields;
- Dedicating six full time staff in the General Services Department with responsibilities to maintain the entire trail system (i.e. mowing, clearing, etc.), and to provide landscaping for all of the parks and recreation centers;
- Dedicating funds for deferred maintenance (i.e. repairing surfaces and equipment, paving driveways and parking lots and bathroom improvement projects).

Results in Brief

Overall adequate controls existed at the Departments of Parks and Recreation as well as General Services to ensure the Half Penny Tax for Parks and Trails funds were used for the intended purposes. Twelve (12) staff positions were dedicated in the Parks and Recreation Department and the General Services Department to carry out the activities supported by this dedicated funding stream. Adequate management oversight existed to ensure these positions were effectively carrying out their work activities. An area for improvement was noted at the General Services Department. The Department of General Services staff can enhance controls around this maintenance process by ensuring that completed schedule/time sheets are routed to the supervisor for review and that the review is documented.

Issues and Analysis

The attached report details the objectives, observations, and results of the Half Penny Tax for Parks and Trails Performance Audit dated March 2016.

Recommendation

The Department of Audit Services recommends the City Council receive and accept the Half Penny Tax for Parks and Trails Performance Audit dated March 2016 as presented and approved at the March 28, 2016 Audit Services Oversight Committee meeting.

Attachment